

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Randall, Scott & Partners and)	
James B. Clarke & Co., Ltd.)	FILE # 1000188
)	

ORDER OF PROHIBITION

TO THE RESPONDENTS: Randall, Scott & Partners
20 N. Wacker Drive
Chicago, Illinois 60606

James B. Clarke & Co., Ltd.
Manuel Ma. Icaza St. and 51 Street
P.H. Magna Corp. Building
Floor 7, Office #772
Panama City, Panama

WHEREAS, a Temporary Order of Prohibition was previously issued by the Secretary of State which prohibited Randall, Scott & Partners and James B. Clarke & Co., Ltd. (the "Respondents") from offering or selling securities in or from the State of Illinois until further order from the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Findings of Fact as follows:

1. That Respondent Randall, Scott & Partners ("RSP") is a company with a last known address of 20 N. Wacker Drive, Chicago, Illinois 60606.
2. That RSP is not registered in Illinois.

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3. That RSP offered to sell on behalf of an Investor, shares of Remington Gold, Inc. which the Investor had purchased in 2009 through Respondent James B. Clarke and Co., Ltd. ("Clarke").
4. That Respondent Clarke holds itself out as "International Securities Broker & Investment Services." Clarke is not registered in Illinois or anywhere else in the United States.
5. That in December 2009 the Investor entered into an agreement with RSP whereby RSP would sell the Investor's shares of Remington Gold, Inc. to an undisclosed principal.
6. That the Investor per the agreement referenced above paid \$10,640 to RSP as a performance guarantee.
7. That RSP requested an additional 30% of the anticipated net sales price of \$105,336 from the Investor as "withholding tax". This amounted to \$31,680.30. The Investor did not comply and has been unable to locate the RSP for the return of the shares of Remington Gold, Inc. and his \$10,640 performance guarantee.
8. That the Illinois Securities Department attempted to locate RSP at the above address and found that there was no Company there by the name of Randall, Scott and Partners. The Company was not in the office directory and the security person on duty never heard of Randall, Scott & Partners.
9. That the activities described above constitutes the offer and sale of a security and as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act");
10. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or s sale in the State of Illinois.
11. That Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
12. That Section 12.A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
13. That Section 12.D of the Act provides, inter alia, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or

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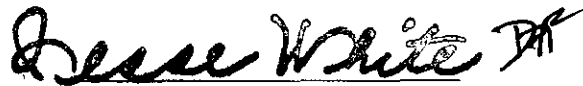
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document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.

14. Section 12.F of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "engage in any transaction, practice, or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."
15. That by virtue of the foregoing, the Respondents have violated Sections 12.A, 12.D and 12.F of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

Dated: This 18th day of May 2011.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
Gregory J. Solberg
Illinois Securities Department
69 West Washington Street
Chicago, Illinois 60602
312-793-9643

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

_____)
IN THE MATTER OF: RICHARD A. CAVILEER)
_____)

FILE NO. 1100064

NOTICE OF HEARING

TO THE RESPONDENT:

Richard A. Cavileer (CRD#:4384490)
81 Tralee Place
Staten Island, New York 10007

Richard A. Cavileer (CRD#:4384490)
C/o Brookstone Securities, Inc.
2920 Drane Field Road
Lakeland, Florida 33813

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 13th day of July, 2011 at the hour of 10:00 a.m. or as soon as possible thereafter, before James L. Kopecky Esq., or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered revoking Richard A. Cavileer's (the "Respondent") registration as a salesperson in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on January 21, 2011 FINRA entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No. 20080115744-02 which sanctioned the Respondent as follows:
 - a. 15-business day suspension from association with any member of FINRA in any and all capacities; and
 - b. \$10,000 fine.
3. That the AWC found:

OVERVIEW

Between February 2008 and October 2008, the Respondent charged one customer an excessive commission, effected a transaction on a discretionary basis without written authorization from that same customer, entered three unauthorized transactions in a different customer's account and entered two unauthorized transactions in a third customer's account.

FACTS AND VIOLATIVE CONDUCT

- a. On February 22, 2008, the Respondent sold 2,400 shares of RIMM (Research In Motion Ltd.) from Brecek & Young (Respondent's employing dealer) Customer AN's account. In connection with that transaction, the Respondent charged a commission of \$12,500, which is approximately 4.91% of the \$254,400 principal amount. RIMM is a NASDAQ listed security, of which approximately 21,958,900 shares were traded on February 22, 2008. The \$12,500 commission charged by the Respondent to AN was excessive and unreasonable taking into consideration the factors articulated in IM-2440-1, and constituted a violation of NASD Rules 2110 and 2440. On September 10, 2008, the commission on the trade was reduced to \$2,500.
- b. On February 21, 2008, AN authorized the Respondent to sell shares of RIMM from his Brecek & Young customer account at the prevailing market price. The Respondent executed the sale of 2,400 shares of RIMM from the account the following day on February 22, 2008. AN did not provide the Respondent with written discretionary authority. Thus, because the Respondent failed to execute the sale on the same day that he obtained authorization, he engaged in discretionary trading in violation of NASD Rules 2110 and 2510.

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- c. The Respondent effected the following trades in the Brecek & Young customer account of TD with regard to the following transactions: (1) the sale of 125 shares of DRYS (Dryships, Inc.) on April 22, 2008; (2) the sale of 125 shares of DRYS on April 23, 2008; and (3) the sale of 330 shares of V (Visa, Inc.) on April 29, 2008. Because TD did not authorize these transactions, the Respondent engaged in unauthorized trading in violation of NASD Rule 2110.
 - d. On September 2, 2008, the Respondent affected the following trades in the Brecek & Young customer account of PR Co., Inc., with regard to the sale of 15 contracts of HJQUX, which is a put on First Solar Common September 250, and the purchase of 15 contracts of HJQIZ, which is a call on First Solar Common September 270. Because the account holder did not authorize the above-mentioned transactions, the Respondent engaged in unauthorized trading in violation of NASD Rule 2110.
- 4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such Salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from Any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory Organization.
 - 5. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
 - 6. That by virtue of the foregoing, the Respondent's registration as a Salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

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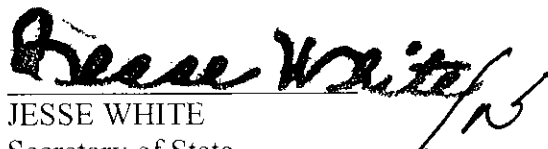
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Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This 5th day of May 2011.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
Daniel A. Tunick
Office of the Secretary of State
Illinois Securities Department
69 West Washington Street, Suite 1220
Chicago, Illinois 60602
Telephone: (312) 793-3384

Hearing Officer:
James L. Kopecky:
203 N. LaSalle
Chicago, Illinois